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Agriculture Policy Dialogue Progress Update

7 November 2023

To meet Sustainable Development Goal #2 – Zero Hunger, the world must accelerate action towards a more sustainable and equitable food system. To address this challenge, the Agriculture Policy Dialogue was convened by the UK COP26 Presidency in partnership with the World Bank in 2021. The main objective of the Policy Dialogue is to engage senior technical officials in a series of Chatham House rules dialogues around the use of public expenditure in the agriculture sector. The Dialogue has been used to explore using these expenditures in ways that promote climate mitigation and adaptation, whilst also ensuring greater equity in the sector. Supported by BMZ and the FoodSystems 2030 Trust Fund at the World Bank, the Policy Dialogue has held 11 ministerial or high-level technical officials’ meetings and produced several key knowledge products. The main components of the policy dialogue include:

- 3 Ministerial Dialogues that showcase the progress different countries have made addressing climate change in the agriculture sector through public policy reforms.
- 8 High-level Technical Officials’ Dialogues that allow government officials to discuss sensitive policy issues in a closed door, Chatham House rules style conference.
- 4 Policy Pathways briefs that outline potential reform options for government officials taking into account the technical aspects of climate adaptation and mitigation.
- A Compendium of Country Case studies that demonstrate the progress of countries involved in the Policy Dialogue, and describes best practices to reform options.

The Policy Dialogue has progressed since its’ inception in 2021, moving from building common understanding around what sustainable agriculture means for public policy, towards developing policy pathways briefs, that provide explanations of different technical aspects of sustainable agriculture for policy makers. The Policy Dialogue has welcomed engagement from more than **blank** countries, which is an endorsement of the Chatham House rules approach, and the need for private discussion among policy officials for reform options.

Timeline of Dialogues:

Date	Title
April 26, 2021	1 st Ministerial Dialogue
May 20, 2021	1 st Technical Dialogue
July 8, 2021	2 nd Technical Dialogue
September 15, 2021	2 nd Ministerial Dialogue

April 28, 2022	3 rd Technical Dialogue
June 28, 2022	4 th Technical Dialogue
September 28, 2022	5 th Technical Dialogue
November 12, 2022	3 rd Ministerial Dialogue
May 24, 2023	6 th Technical Dialogue
July 27, 2023	7 th Technical Dialogue
September 4, 2023	8 th Technical Dialogue

Annex I: Agenda and Chair Summary for Each Dialogue Session

1st Ministerial Dialogue – April 26, 2021

Agenda:

Welcome & Introduction: Aims of the COP26 campaign on Sustainable Agriculture and a Just Rural Transition [UK COP26 Presidency]

Pathways to sustainable agriculture through repurposing public policies and support: Global context for the dialogue [World Bank]

Discussion: Country ambition, experiences and next steps for repurposing public policies and support toward sustainable agriculture

Potential benefits of redirecting policies and support

Opportunities and challenges for redirecting policies and support

Role of agricultural innovation

Wrap-up from the Chair

Chair Summary:

From the COP26 presidency, we heard that farmers are on the front line of climate change, and increasingly vulnerable to drought, floods and degrading soils.

From the World Bank, we heard that the threat of climate change is with us now. Hunger has been rising since 2014, compounded more recently by the impacts of COVID-19.

Both highlighted the need for action in the short-term to address these threats, and work in the longer-term to secure a transition to more sustainable land use practices, to feed a growing global population while protecting and restoring nature.

Setting new policies and redirecting the \$700bn provided annually to agriculture are key to that transition, to build resilience and sustainability into our food production, agriculture and land use.

The good news is that this solution is within our grasp.



With that hopeful framing, we heard how different countries in very different contexts are taking practical steps to put this into practice.

This is a shared challenge for developed and developing countries.

We heard from countries spanning North America, Latin America, Europe, North Africa, Sub-Saharan Africa, South Asia, Southeast Asia and Oceania, each working into their own sets of circumstances.

We heard from these diverse perspectives about the opportunities and challenges in this agenda.

Key opportunities include:

- Improving farmer incomes and productivity
- Protecting soil and water for future generations and regenerating degraded lands
- Reducing emissions

Key challenges include:

- Building the political consensus to act
- Delivering immediate benefits to those affected by change, particularly farmers
- Capacity support and awareness raising for small farmers and farming communities

We also heard how R&D is critical to the viability of sustainable agriculture. This includes:

- Climate resilient seed varieties
- Innovation in how we set policy: looking beyond productivity to the whole food system.
- And in the way in which we manage land: working at a landscape scale to balancing livelihoods and nature; and sensitive ecosystems like forests and peatlands.

Throughout the session, we heard examples of how better targeting of policy and support can help farmers and consumers and be better for nature and the climate.

That's the sweet spot which each country is aiming for individually.

And that's the sweet spot which we can help each other to get to more quickly through the collaboration and exchange of experience we hope to foster through this dialogue.

From today, we'll go forward into more detailed discussions between officials, and come back together with ministers before COP26.

We'll look for ways to showcase this national leadership and help to set out a pathway to more sustainable patterns of land use, as a key element of the global fight against climate change.



This includes engaging with officials to develop a compendium of experiences to showcase at the FSS and COP26. The WB is also ready to support countries with technical work, sharing experience and support to apply solutions on the ground.

1st Technical Dialogue – May 20, 2021

Agenda

Welcome & Introduction

Presentation and Q&A: Overview of existing evidence on the case for redirecting public support to drive transition to sustainable agriculture

Break-Out Group Discussion: on opportunities and challenges for repurposing public policies and support and scaling innovation for a just transition to sustainable agriculture. Break-out groups will focus on the following themes

- Farmers as stewards of nature - Promoting sustainable livelihoods and food security through environmentally friendly solutions: initiatives experiences, challenges, opportunities
- Innovations for environmental sustainability/preservation: initiatives experiences, challenges, opportunities
- Translating ambition to action: Building consensus and implementation for policy alignment for inclusive agriculture and food system transformation

Plenary – feedback from break-out groups

Wrap-up and next steps

Chair Summary:

Breakout Group 1

Farmers as Stewards of Nature, promoting sustainable livelihoods and food security through environmentally friendly solutions: initiatives experiences, challenges, opportunities.

Key challenges raised in the group include:

- Reforming large and complex systems in which millions of livelihoods and food security are at stake. This needs careful appraisal to plan well, guard against perverse outcomes, and build consensus.
- Regulation: raise protections without overburdening farmers with compliance requirements.
- Finance: shift from tied price support to direct farmer support is costly; reward for farmers.
- Distribution and equity: tendency for support to become concentrated in largest land holdings, so need to devise strategies to ensure equity and reach those most in need of support.
- Capacity: particularly small farmers.

Areas identified for future action:

- Respect for local knowledge and conditions and traditional knowledge: EC: No one-size fits all: focus on key outcomes, like soil, water and biodiversity, and encourage best practice, but don't prescribe – there is no monopoly on best practice.
- Innovation: Digital, technology, mobile communications to address information gaps; institutional innovations to help build capacity, like Farmer Producer Organizations (FPOs) and cooperatives.
- Basis for payments and support: Environmental Land Management (ELM) scheme and public funds for public goods, paying farmers as providers of public goods, like biodiversity, soil, water, flood protection; timing, to ensure aligned with needs, seasonal cycles, planting.
- Sustainable intensification: opportunity to address conversion of high carbon stock and sensitive lands.
- Empowerment of farmers: small businesses in large supply chains, need help to gain fair terms (contract negotiations, pricing).

Other points raised:

- How farmers and environmental NGOs are cooperating to protect biodiversity and deliver on climate goals.
- How agro-forestry projects can help to provide shade, and well as providing moisture and improving soil quality and productivity.
- The management and use of land, and the role that land policies can have in helping to protect agricultural land.
- The need to support climate-smart off-farm activities, such as supporting tree-planting programmes in the months where farmers are not actively farming their land.
- Building trust is key to engaging with farmers on both social and ecological challenges faced by the agricultural sector.

Breakout Group 2

Innovations for environmental sustainability/preservation, country experience in developing and applying policies to develop and scale up innovation.

Key challenges raised in the group include:

- Access to finance to allow farmers to invest in new technologies.
- Migration from rural areas to urban areas.
- Access to technology; the need to enhance the value of soil and soil fertility.



- Institutional coordination and facilitating effective collaboration between government institutions.

Areas identified for future action:

- Closing the gap between research and implementation.
- If we are to effectively respond to the climate crisis, we need to act faster in the future.
- Build in strategies for upscaling right from the start of research.
- Injections of private finance to help incentivise farmers to adopt new policies.
- The importance of tackling barriers to the adoption of innovation through international partnerships focused on strengthening capacity, for example in extension workers and for R&D supported by international finance.

Other points raised:

- How agricultural capacity can be in place –the equipment, tools, knowledge– but how wider factors can act as a barrier to increased productivity, such as wide fluctuations in foreign exchange.
- The importance of working together with all parts of the agriculture/food community to find solutions.
- The need to improve measurement of emissions from agriculture/food systems. The uncertainties are large, and unless these uncertainties can be reduced it will be difficult to know where we are and to track progress with agricultural emissions.
- Some caution was expressed about the use of public support and whether this can distort agricultural markets and create inefficiencies, including for the environment.
- On the flipside, the importance of directing public support towards the stakeholders most vulnerable to climate risks, such as smallholders, was also highlighted.
- The value of technologies to inform people about climate risks, and how digital platforms can be used to share climate information. An expansion of digital technologies and communication tools is needed, tailored to local needs.
- The value offered by clear strategies and plans for the agricultural sector and for these to have clear green growth targets at differing scales.

Breakout Group 3

Translating ambition into action, country experience of building consensus and aligning government policies for inclusive agriculture and food system transformation.

Key challenges highlighted in the group include:

- Balancing food security and self-sufficiency.
- The need to balance food systems with the wider context, for example, addressing concerns of how change might impact competitiveness.
- Addressing food loss and food waste.
- Building the capacity of government to deliver, and building the capacity of civil society to hold governments accountable.

Areas identified for future action:

- Public-private partnerships for sustainable agricultural supply chains.
- Insurance to help farmers manage risk.
- Bringing in lessons from the Koronivia dialogue where appropriate, for example, on soil and water management.
- Build consensus across all stakeholders to deliver necessary change, recognising the need for citizens to understand agricultural policy.

Other points raised:

- How public funds can be used to incentivise more efficient agricultural practices, for example, more efficient use of water resources and improved irrigation. They can also be used to incentivise farmers to transition to sustainable food systems.
- Key will be a blend of both 'top down' and 'bottom up' approaches – with the redirection of public policy and public support only half of the equation. This will need to be matched and supported by grassroots action.
- The need for governments to be very clear in their commitments and ensure that the relevant institutional capacity is in place to deliver on these commitments.
- Community and cooperative groups can play a role in helping to develop solutions to climate-related challenges in the agricultural sector.
- A key point raised by a number of countries is the need to ensure that future policy is inclusive, and all relevant stakeholders are involved in setting policy objectives. Regional dialogues can help bring together relevant NGOs, private sector actors, and government actors – helping to integrate a wide range of perspectives and encouraging widespread adoption of future policies.

2nd Technical Dialogue

Agenda

10:15 – 10:45	Dial into the Zoom platform and join participants at the virtual meeting with cameras on, microphones off (audio/video/background adjustments, interpretation checks etc.).
10:55 – 11:00	Stand by on mute (Zoom instructions)
11:00 – 11:05	Welcome by Lystra Antoine who will moderate the program.
11:05 – 11:10	Introduction: Recap of progress so far including aims of the COP26 Campaign on Sustainable Agriculture and a Just Rural Transition by co-chair Vijay Rangarajan, Director-General, Americas and Overseas Territories, Foreign, Commonwealth and Development Office, United Kingdom.
11:10 – 11:15	Pathways to sustainable agriculture through repurposing public policies and support: Global context for the dialogue. Remarks by co-chair, Julian Lampietti, Practice Manager Global Engagement, Agriculture and Food Global Practice, World Bank.
11:15 – 11:20	Keynote Speaker - Dr Martin Frick, Deputy Special Envoy to the UN Food Systems Summit 2021
11:20– 11:25	Technical Discussions: Participants will be directed into break-out groups and be introduced to the assigned theme by their facilitator. Participants will deepen the discussion on opportunities and challenges for repurposing public policies and support, and for scaling innovation for a just transition to sustainable agriculture.
11:25– 12:30	Break-Out Group discussions themes (questions see above): • Farmers as stewards of nature - Promoting sustainable livelihoods and food security through environmentally friendly solutions: initiatives experiences, challenges, opportunities. • Innovations for environmental sustainability/preservation: country experience in developing and applying policies to develop and scale up innovation. • Translating ambition into action: country experience of building consensus and aligning government policies for inclusive agriculture and food system transformation.
12:30 – 12:45	Rapporteurs from each break-out group will provide plenary feedback to all attendees, capturing key points raised in discussions.

12:45 - 12:50	Julian Lampietti, will provide closing remarks, focusing on the implications for the World Bank, engagement with client countries and next steps.
12:50 – 12:55	Vijay Rangarajan, will provide closing remarks and outline next steps of engagement with the Policy Dialogue on accelerating transition to Sustainable Agriculture.
12:55– 13:00	Moderator Lystra Antoine closes the 2 nd Technical Dialogue. Event Ends

Summary

Breakout Group 1

Farmers as Stewards of Nature, the group discussed experiences as well as opportunities and challenges countries have faced to promote sustainable livelihoods and food security through environmentally friendly solutions.

Actions being undertaken:

- Reforms in pricing mechanisms to encourage improved resource use management, such as water and energy.
- Adopting a systems approach to policy making while being cognizant of trade-offs.
- Evaluating policies and incentives to ensure they consistent with sustainable agriculture.
- Establishing targets on reduction of natural resource degradation such as land.
- Improving resilience through climate smart agriculture.
- Scaling up efforts to encouraging farmers to adopt organic farming.
- Designing policies that address multiple binding constraints such as financial, knowledge, and information through incentives, introduction of modern technologies, improved inputs, and training of farmers.
- Engaging farmers in the process of policy making to build ownership and ensure success in implementation.
- Establishing protected areas.

Areas identified for action:

- Safeguarding livelihoods of farmers through economic incentives.

- Ensuring accessibility and ability of farmers to take advantage of sustainable agriculture incentives is as important as introducing them, which might require capacity building and reskilling.
- Assessment of trade-offs and synergies needs to be conducted before introducing reforms.
- Introducing reforms in land use and land rights to reduce land degradation.
- Scaling has been a challenge due to the size of the sector.

Key challenges highlighted:

- Adoption of new technologies
- Vulnerability to climate shocks and natural disasters
- Profitability of sustainable agriculture, especially for small scale farmers.
- Financial resources to fund programs and invest in sustainable development.

Breakout Group 2

Innovations for environmental sustainability/preservation, the group exchanged different country experiences regarding actions put in place and outcomes achieved, as well as relevant constraints faced and overcome with regards to policy actions to deploy innovation and research at scale.

Actions being undertaken:

- Policies to encourage adoption of climate smart agriculture, through various mechanism such as rewards for adoption, increasing finance for the sector, transfer of technology, training, etc.
- Identification and introduction of low-cost technologies suitable in the local context.
- Using demonstrations as a tool to encourage adoption.
- Increasing investment in extension services and training of staff.
- Aligning agriculture strategy with the Paris agreement.
- Engaging in a dialogue with all stakeholders to design and implement projects.
- Introducing climate insurance programs.
- Investing in infrastructure, specifically irrigation.
- Utilizing mechanization, AI, and robotics in the agriculture and food system to improve sustainability and productivity.
- Introduction of new standards for animal health and welfare to make it more sustainable.
- Developing national adaption plan on animal husbandry along with training and transfer of technology.



- Setting targets for reduction of agrochemicals such as fertilizer and pesticides.

Areas identified for action:

- Creating standardized emission measurement systems.
- Improving awareness of sustainable farming among farming community.
- Investing for new research and development programs aimed at addressing the current challenges.
- Increasing farmer engagement and including agribusiness and private sector in R&D so that the research reaches end users.
- Creating enabling environment for peer to peer learning and demonstration rather than prescriptive advice, to improve adoption.
- Developing digital platforms to gather important data for policy making.
- Promoting global collaboration and transfer of knowledge and technology.
- Scaling up existing technology which works while investing in new technologies

Key challenges highlighted:

- Scaling a challenge for the government due to fiscal constraints.
- Low adoption of technology by farmers due to various barriers.
- Challenges in reaching farmers with information in remote areas.
- Developing a collaborative policy of which all stakeholders hold ownership.
- Lack of access to financing, so projects are never implemented even though they are worthwhile.
- Managing trade-offs of sustainable farming as it is less economically viable, especially for small farmers.

Breakout Group 3

Translating ambition into action, the group had a rich exchange on lessons learned and main achievements reached with respect to building consensus and aligning government policies for inclusive agriculture and food system transformation. The group also discussed how countries had addressed challenges, particularly around stakeholder buy-in for policy reforms.

Actions being undertaken:

- Development of low carbon livestock strategies.
- Promoting adoption of technologies that improve sustainability and productivity.



- Developing inclusive and collaborative policy making process through consultations with all stakeholders from farmers to consumers.
- Introduction of programs and schemes that encourage adoption of sustainable practices.
- Introducing environmental and production standards to reduce emissions.
- Setting targets on the reduction of agrochemicals.
- Piloting potential solutions to gather evidence and data before scaling.
- Engaging in cross country collaboration in designing strategies for sustainable agriculture.
- Leveraging international forums to share knowledge and engage in peer to peer exchange.
- Reducing food loss and waste.
- Improve natural resource management.

Areas identified for action:

- Leveraging linkages across different policy areas for coherence.
- Policies and programs need to be adaptive and respond to what works on the ground.
- Increase investment in research and development to increase sustainability.
- Creating the correct incentives to ensure that the market facilitates sustainable agriculture.
- Encourage adoption of mitigation and adaptation measures through extension services, knowledge dissemination, and capacity building of farmers and service providers.

Key challenges highlighted:

- Climate change has been severely impacting seasons, making them unpredictable and interfering with planting.
- Building policies with consensus of all stakeholders.

2nd Ministerial Roundtable

Agenda

00:00 – 00:57	The Zoom webinar will be open one hour before the event starts. Dial into the Zoom platform and join. Ministers and Speakers seated at a virtual roundtable with cameras on, microphones off (audio/video/background adjustments, interpretation checks etc.)
01:00 – 01:03	Welcome and Introduction by Moderator, Lystra Antoine.

01:04 – 01:08	Outcomes of the Policy Dialogue and aims of the Policy Action Agenda Co-chair Rt Hon George Eustice , Secretary of State for the Department of Environment, Food and Rural Affairs, DEFRA, United Kingdom
01:09 – 01:13	Pathways to sustainable agriculture through repurposing public policies and support: What works at the global level – recommendations, processes, and next steps. Remarks by co-chair, Dr. Juergen Voegelé , Vice President, Sustainable Development Practice Group, World Bank
01:14 – 01:18	Welcoming the Policy Action Agenda and its uptake at the Food Systems Summit: Remarks by Dr. Agnes Kalibata , UN Secretary-General's Special Envoy to the 2021 Food Systems Summit
01:19 – 01:21	<i>Ministerial Roundtable</i> : Ministers and Speakers to deliver 3-minute remarks each on specific actions and next steps countries will take for repurposing public policies and support toward sustainable agriculture. Each speaker will be called on by the Moderator.
Speakers	<i>Mr. Yasuhiro Hanashi, State Minister of Agriculture, Forestry and Fisheries, JAPAN</i> <i>Mr. Alhaji Muhammad Sabo Nanono, Minister of Agriculture and Rural Development, NIGERIA</i> <i>Ms. Beate Kasch, State Secretary, GERMANY</i> <i>xxxxxxxxx, MOROCCO [Awaiting confirmation of Minister]</i> <i>Mr. Luis Renato Alvarado Rivera, Minister of Agriculture and Livestock, COSTA RICA</i> <i>xxxxxxxxx, INDIA [Awaiting confirmation of Minister]</i>

	<i>Mr. Damien O'Connor, Minister of Agriculture NEW ZEALAND [video recording]</i> <i>Dr. Abu Bakarr Karim, Minister of Agriculture and Forestry, SIERRA LEONE</i> <i>Mr. Christian Hofer, Director-General of the Federal Office for Agriculture, SWITZERLAND</i> <i>Dr. Jewel Bronaugh, Deputy Secretary of Agriculture, USA</i> <i>Mr. Rodolfo Zea, Minister of Agriculture, COLOMBIA</i> <i>Dr William Dar, Secretary Department of Agriculture, PHILIPPINES</i> <i>Mr. Fernando Zelner, representing Minister of Agriculture BRAZIL</i>
02:14 - 02:18	Dr. Martien van Nieuwkoop: Closing remarks, focusing on the implications for the World Bank, engagement with client countries and next steps.
02:19 - 02:23	Rt Hon George Eustice: Closing remarks, forward look to COP26 and next steps.
02:24 – 02.30	Ms. Lystra Antoine closes the Second Ministerial Roundtable. Event Ends

Summary

15th September 2021

2nd Ministerial Roundtable of the Policy Dialogue on Accelerating Transition to Sustainable Agriculture through redirecting public policies and support, and scaling innovation.

Countries: Brazil Colombia Costa Rica Germany India Japan Morocco New Zealand Nigeria Philippines Sierra Leone, the United States, Ethiopia Ghana Jordan Madagascar Malawi Spain Uganda Vietnam Zambia and Zimbabwe



- The political dialog process has engaged over 30 clients and 24 partner countries who have joined the journey and transition towards sustainable agriculture at different stages.
- The round table was timed to coincide closely with the UN Food System Summit taking place on September 23rd where repurposing agricultural policies is identified as a solution for transforming food systems.

Goals of the round table:

1. Clarify how countries will take policy action through COP26 recognizing that there is still time for countries to endorse it and provide statements of support
 2. Seek clarity on the actions that countries are already taking or will take to accelerate transition and move the agenda forward
- Participation of 24 countries, however only 13 countries took the floor to speak on their country's leadership and commitment to moving the agenda forward.
 - How do we tackle the issue of feeding 9 billion people by the end of the decade in a way that helps us address climate change and biodiversity loss, as well as support economic growth and achieve the Sustainable Development Goals? These will be the topic of discussion at The G20 Agriculture Ministers' Meeting 2021, the 2021 UN Food Systems Summit and COP 26 dedicated to this critical agenda and sharing evidence and experiences to make agriculture more sustainable.
 - Key element of the transition to sustainable agriculture is a stronger focus on research scaling up the technologies and practices that help farmers build more resilience and maintain their livelihoods
 - Recognize the value and power of collaboration at all levels: share evidence and learnings, data, technologies and innovation to accelerate the transition to sustainable agriculture.

Speakers:

The Department of Environment, Food and Rural Affairs (Defra), UK.

Lord Benyon, Minister of Biosecurity and Rural Affairs, UK

- Redirecting public policies, support and scaling innovation to accelerate the transition to sustainable agriculture.
- The way we tripled global food production in the last four decades cannot be replicated as we face the challenge of feeding a growing global population and provide nourishment for all 9 billion people we will share this planet by the end of the decade, in a way that helps us tackle climate change and biodiversity loss, support economic growth and help achieve the sustainable development goals.



AGRICULTURE POLICY DIALOGUE

Accelerating transition to sustainable food systems

- The shift towards a more sustainable agriculture is an essential part of building food systems that are fit for the future. A great deal of the evidence and experience we need to draw on to make agriculture more sustainable, including the good work that is already underway in countries, and based on the dialog so far, a policy action agenda to guide our efforts and to mobilize others has been drafted. This is not a prescriptive blueprint for change but rather a framework for action, illustrating the broad types of action that governments and other stakeholders where can take drawing on the contributions that each country has made.
- A key element of the transition to sustainable agriculture is a stronger focus on research scaling up the technologies and practices that help farmers build more resilience livelihoods and take care of the environment.
- The global action agenda on agricultural innovation is part of this policy agenda with a specific vision and a set of objectives.
- Several countries represented have already endorsed this policy action agenda and the hope is that others will follow as we head towards the launch at COP26. This shows our commitment to change, and it acknowledges that each country will need to work out what works for them, and it recognizes the value and power of collaboration at all levels.
- There is a lot that we can do through our domestic policies, locally and nationally, to share evidence, experience learning, data, technologies and innovation, to accelerate the transition to sustainable agriculture.
- The UK has been sharing its experiences reforming land use subsidies and schemes to reward farmers for their environmental work.
- There is a need to have shared standards verification and monitoring mechanisms and tools across regions and internationally as well.

Dr. Agnes Kalibata of Rwanda - Special Envoy for 2021 Food Systems Summit

- Food systems could be a solution to the problems we are facing and bring change in the environment. Therefore, the role of government is crucial: the right policies must be enforced, and many aspects of the food system must be considered. Ensure that all stakeholders are around the table at COP 26.
- Not only ministers of agriculture should come onboard, but also ministers of health and environment, as we all need each other. Support member states and constituencies to ensure that we end hunger and food insecurity and assure accountability.

Japan

- Japan's strategy for sustainable food systems is designed to simultaneously achieve productivity increase and sustainability in agriculture through wide disseminate of existing technologies by



AGRICULTURE POLICY DIALOGUE

Accelerating transition to sustainable food systems

2030 and by 2050 with the implementation of new innovative technologies to reduce the use of chemical fertilizers by 30%, reduce the use chemical pesticides by 50% and expand organic agriculture, while enhancing productivity potentials in Asia.

- Despite Japan's exposure to hot and humid climatic conditions, this strategy seeks to pursue sustainability through and be a good model for food systems that can be applied to other countries in the Asia region.
- The strategy aims to bring change in dietary habits based on the diversity of safe and nutritious foods which are sustainably produced and consumed in appropriate quantities.
- Japan will continue to actively contribute to dialogs and efforts to address global challenges through enhanced cooperation and collaboration with all parties involved.

Germany

- Germany's agricultural sector is becoming more sustainable. From 1919 to 2020, Germany was able to reduce annual emissions by 20.6 million tons of CO2 equivalents. The path towards greater sustainability also requires innovation and promoting research. Germany has provided approximately 800 million euros to support farms wishing to purchase climate friendly technology.
-
- Germany is working towards reducing greenhouse gas emissions and developing the organic farming sector, in 2020 the area under organic farming increased by 5.5% compared to 2019. The aim is to achieve 20% of organic farming by 2030.
- Germany has made a significant contribution of refocusing the European Agricultural Policy, and every Euro coming from Brussels is tied to binding requirements (incentive schemes) leading to greater sustainability and climate change mitigation.
- Germany's sustainability efforts in agricultures are guided by the dual ambition of safeguarding fruit and nutrition, while simultaneously boosting sustainable management, namely with a competitive regional agricultural sector, and with short supply chains, which is one of the lessons learned from the coronavirus pandemic.
- Germany believes that consumers must be on board for the efforts towards sustainability: consumer choices are also instrumental in what is produced and how.

Costa Rica

- Costa Rica has developed policies in livestock, coffee, rice, sugarcane, and they have seen excellent results from these policies which aim for the preservation and resilience.
- Agriculture insurance is important and financing towards protective systems should be developed to help farmers live a dignified life.
- Farmers suffer from an increase of prices of inputs needed for farming. International markets need to change their payment systems toward products from Costa Rica.
- If food price inflation continues, the country will see a major demographic shift/migration of population towards urban areas. The entire population needs to be fed, and once the pandemic is over, new ideas should be developed on how to better protect farmers so they can participate in a fair market.

Sierra Leone - 42:45

- Not a major emitter but vulnerable to climate change effects
- Poor infrastructure & Triple Burden:
 - high youth unemployment
 - Poverty
 - food insecurity
- Leads to important goals and center of food policy
 - Increasing productivity
 - Creating jobs
 - Food security
- Endorses policy actions to accelerate on sustainable food and agriculture



AGRICULTURE POLICY DIALOGUE

Accelerating transition to sustainable food systems

- 2050 vision for Sierra Leone: modern, value-added economy and to be Africa's 1st carbon-neutral middle income country
- Private sector and bilateral and development partners to join in realization of 2050 goal
- Actions already: continued focus on programs for climate mitigation, Biodiversity loss, and the SDG's to better manage & protect forests and natural resources, catchment areas, climate smart practices in agriculture
- Build on policy shift to get private sector investment in agriculture & agribusiness
- National Tree planting program over 3.8 million trees in 4 years.

Switzerland - 45:50

- Redesigning and repurposing agricultural policies, now subject to environmental requirements
- Since 1992 has taken reforms for agri policies
 - subject to environmental requirements
 - National referendum that enables cross-border trade relations that contribute to sustainable development of agriculture and food sector
- 2030 sustainable development strategy and actions plan - how CH will implement sustainable development agenda recognizes food systems transformation through cross-cutting involvement
 - Public health, environment, agriculture, food safety and veterinary services, foreign affairs
- Quantified Objectives:
 - 3rd of population follows nutrition guidelines
 - 50% reduction of food loss and waste vs. 2017
 - 25% of CO2 reduction emissions from food per capita vs. 2020
 - 3rd increase of farms that produce in animal-welfare friendly manner vs. 2020
- Need collective action and involve civil society, businesses, and consumers; Also business opportunity - governments need to allow for public, private and mixed investment for solutions

US - 49:25



- Food systems, climate, and natural world now sharp focus with the challenges that we face globally
- COVID-19 must be resilient, climate-smart, green, recovery
- Must invest in science-based policies now for sectoral transition and knowledge sharing on research priorities between countries.
- USDA investing in technical assistance to scale current practices and quantification tools to inform policy and consumers & to monitor progress towards ambitious climate goals
- Developing sustainable rural infrastructure to support agriculture & decarbonization of energy & transportation
- Supporting bio-based products and improve efficiency and less waste in food systems
- Government partnerships and investment in regional climate hubs, technical assistance, flagship research agencies
- Need regional and global coordination, but also locally adapted technology and practices
- Globally investing in [AIM for Climate](#) - Increasing investment and enable dialogue between finance, agricultural innovation, R&D
- Farmers must have higher productivity and ensure that land use does not increase and to ensure decent farmer incomes, food prices, food security, and nutrition - Healthy diets were unaffordable for 3 billion people worldwide
- Private sector must adapt meaningful commitments in their supply chains & need Public + private investment and alignment

Colombia - 53:45

- Sustainable agriculture is a priority by president
- Specific goals:
 - 2030 - decrease GHG by 51%; have to use different chains of ag sector that have committed to capture GHG emissions and CO2 to develop a sustainable economy; regenerative livestock; zero-deforestation by palm and reduction of deforestation of native trees;
- coffee - products have green seals more attractive to world; research - biodiversity to have project financed by green climate fund;
- Green Climate Fund to conduct research for 10,20,30 years to see how agriculture will behave among different crops with regards to climate change.



- Will plant 180 million trees and support 170,000+ hectares with trees and livestock
- Hope developed countries will recognize effort in tropical countries

Philippines - 57:20

- Agriculture is main source of rural economic progress and backbone of nation to achieve food security
- Human and economic cost in face of CC and unstable natural systems such as COVID-19 pandemic.
- Philippines recognizes urgency of holistic action in ensuring food security while addressing climate change and shocks such as COVID-19.
- Adopted conceptual framework for Philippines Food Systems Transformation Pathway - guided by Food Security Development Framework & [One DA Reform Agenda](#) using whole of nation and whole of society approach
- Transformation to more Resilient, Inclusive, Competitive and Environmental sustainable agriculture sector
- Adaptation and mitigation of climate change measures & regional and provincial climate change assessments
- PH gov providing support services such as technical assistance, digital tools, crop insurance, and robust information system to encourage farmers to develop sustainable practices and to aid in decision-making
- Supports policy action agenda and challenges developed countries as the main GHG contributors to "walk the talk" and concretely help most vulnerable countries, like Philippines who have taken action but bear the brunt of CC natural disasters.
- Most ambitious countries lead by example and provide support to those that need the capacity and resources
- UNFCCC's work on joint work and agriculture; United global action and attain goals together; foster trust & mutual understanding

Brazil - 1:02:09

- Transformed itself from net food importer to leading agriculture export in 50 years
- Science-based, sustainable productivity gains while fostering social inclusion and environmental stewardship



AGRICULTURE POLICY DIALOGUE

Accelerating transition to sustainable food systems

- [ABC Plan](#) - low carbon agriculture plan - launched in last 10 years - offers incentives for no till planting, integrated crop -livestock systems, biological nitrogen fixation
- Surpassed all expectations in first decades and adopted 50 million hectares and mitigated 170 million tons of CO2
- Decade 2 - ABC+ - incorporated new technology higher target integrated landscape approach - land tenure rights, biodiversity preservation
- Strong focus on Adaptation - ag particularly vulnerable to CC
- Does NOT endorse proposed policy action plan, remains fully committed to continuing to improve sustainable agriculture and through sharing its experiences to support others.
- Strong supporter of ambitious action on the ground through technology transfers, technical assistance and capacity building for common but differentiated responsibilities
- Must disseminate sustainable practices to farmers around the world
- Continue forging effective partnerships to build scale to combat issues that we face.

Morocco - 1:05:30

- Brought all stakeholders together about food system and need for change
- COP 26 is the moment to take stock on progress and has led to concrete actions
- Moroccan Adaptation Strategies in line with COP 26 policies and fully supports
- Sustainability of production systems
- Agriculture - structural transformation for more resilience
- Transform food system
- Prone to droughts and has experience negative agricultural growth in some years
- Public spending toward sustainable food practices; reward farmers for good agricultural practices
- Practice rotation; no-till; new high-productivity technology
- More focus on R&D to develop adaptive strategies

WB Global Director of Food & Agricultural Global Practices - 1:12:00

- Implications for WB, Engagement and next steps



AGRICULTURE POLICY DIALOGUE

Accelerating transition to sustainable food systems

- Great to see leadership taken to transform food systems in these countries and that action has been taken to see results, accelerating public policy on these goals. Making agriculture more productive, sustainable, nutrition sensitive. Requires strong domestic and international collaboration.
- Each country needs to apply specific strategies that work for their countries because they have specific challenges, but need to repurpose agriculture policy and open business opportunities to include private sector investment.
- Maximizing Development Approach for private sector investment, support governments to implement and build in-country capacity
- Continue to facilitate in-country and cross-country dialogue - information exchanges and sharing experiences for managing challenges
- IFPRI and Food & Land Use Coalition finance lever of UN Land Use Summit

Conclusion - 1:17:05

- Solutions we need to find must be farmer-centric and workable in our own countries
- All committed to sustainable agriculture; COP-26 will launch country case study compendium. Nature Day - November 6th
- Transforming agriculture innovation

Quick Summary from each country - see above for more detail by country

- Japan - government dialogue with wide-range of stakeholders for decarbonization of food value chain; increase productivity and sustainability - widely disseminate existing and new technology - reduce chemical use; increasing productivity is key
- Germany - help farmers adopt sustainable practices; leading forward into econ policies to support sustainable ag; get consumers on board
- Costa Rica - 25% of land under conservation & rehabilitation; policies in livestock coffee rice sugarcane increase productivity while conserving; fair price for farmers both internationally and domestically
- India - highly vulnerable to CC; investment in innovation and resilient agriculture production; farmer led innovations and organic farming development
- NZ - importance of R&D for ag innovation; work with farmers to measure and monitor emissions



AGRICULTURE POLICY DIALOGUE

Accelerating transition to sustainable food systems

- Sierra Leone - integrate smart practices into agricultural policy; want to be 1st carbon neutral ag sector from developing country
- CH - 2030 agenda for sustainable development and need cross-governmental work for sustainable food system
- US - must invest in technical assistance and quantitative tools to measure progress
- Colombia - sustainable agriculture, increase green pastures by 51%, zero deforestation, secure green seals. 180 million trees
- Philippines - human and economic cost of climate change; urgent need to take holistic action; develop robust information systems
- Brazil - 2nd phase of ABC - low carbon plan for sustainable agriculture
- Morocco - transform agriculture sector

3rd Technical Dialogue

Agenda

- Agree objectives for 2022
- Initial discussion on proposed success criteria and milestones for redirecting public policies and support to sustainable agriculture and food systems, based on technical paper
- Country examples of actions and planned action to secure triple wins from redirecting policies and support to sustainable agriculture

Summary

At COP26, over 140 countries [pledged](#) to strengthen shared efforts to “implement and, if necessary, redesign agricultural policies and programmes to incentivize sustainable agriculture, promote food security, and benefit the environment”. The Glasgow Leaders’ Declaration acknowledges both the vital role that agriculture plays in providing nutritious, affordable food for a growing global population and the challenges that agriculture and land-use change pose for climate change, soil degradation, water pollution and biodiversity loss.

The [Policy Action Agenda for Transition to Sustainable Food and Agriculture](#) – endorsed by 17 governments – identifies actions that state and non-state actors can take to repurpose public support to agriculture to incentivize a just rural transition to sustainable agrifood systems, delivering triple wins for people, climate and nature.

Here, we lay out three high-level criteria for success within the categories of people, climate and nature, focused on outcomes rather than activities, see [here](#) for the full discussion document. Each category contains three sub-criteria, indicating core measures of sustainability. Proposed indicators for measuring progress are based (as far as possible) on two principles: indicators **already agreed** at global level

through **international agreements** (particularly the Sustainable Development Goals and Rio Conventions) and indicators for which **globally comparative data exists**. While these criteria do not exhaustively reflect all aspects of sustainable agriculture, they provide a starting point for action at national and global level.

Actions that affect success in one category can also affect success in another category – both positively and negatively. There may also be trade-offs between desired outcomes at a farm level and those at a landscape level, or even at a global level.

At a minimum, sustainable agriculture policies and programmes should show progress against indicators for two criteria and ‘do no harm’ against indicators for the other. Issues of gender, rights of Indigenous Peoples and local communities and equality more generally, need to be measured within proposed indicators.

It should be noted that these are not an exclusive set of standards, but indicators of what good outcomes may look like to mobilize action. These will continue to evolve and develop in light of discussions and increasing data availability.

Criteria	Sub-criteria	Indicators
Success Criteria 1 (People) Agricultural production drives inclusive economic growth: reducing poverty, providing people with resilient livelihoods and increasing food and nutrition security.	1.1 Support to agriculture enhances food supply system resilience. 1.2 Support to agriculture improves populations’ health and nutrition, particularly for low-income people (including farmers themselves). 1.3 Support to agriculture boosts agricultural productivity and incomes.	1.1 Crop production diversity H index; variation in crop yields and animal productivity. 1.2 Sustainable Development Goal (SDG) indicator 2.1.1 (prevalence of undernourishment); SDG indicator 2.1.2 (prevalence of moderate or severe food insecurity in the population). 1.3 Total Factor Productivity; SDG indicator 2.3.1 (agricultural labour productivity); SDG indicator 2.4.1 (wage rate in agriculture); SDG indicator 2.3.2 (average income of small-scale food producers, by sex and indigenous status); SDG indicators 1.1.1 and 1.2.1 (proportion of rural population living below the international and national poverty line).

Success Criteria 2 (Climate) Agricultural production contributes to putting the planet on the pathway to 1.5 degrees.	2.1 Support to agriculture substantially reduces greenhouse gas (GHG) emissions from agricultural production. 2.2 Support to agriculture significantly reduces GHG emissions from land-use change. 2.3 Support to agriculture increases the amount of carbon stored in farm and rangeland.	2.1 SDG indicator 13.2.2 (total GHG emissions from agricultural activities overall and per harvested area); total GHG emissions from livestock production overall, per hectare of managed pastures and grazing lands; surplus fertilizer application/nutrient efficiency (a sub-indicator of SDG indicator of 2.4.1 is fertilizer pollution risk, represented by excess nitrogen and phosphorus); feed and input efficiency for livestock. 2.2 Lost forested area due to agricultural activities; percentage loss of wetland/peatland area against a baseline. 2.3 Rates of reforestation, afforestation or natural forest regenerations per hectare of deforested or degraded land; amount of soil organic carbon.
Success Criteria 3 (Nature) Farming is done in a way that protects and enhances natural resources and ecosystems.	3.1 Support to agriculture enhances soil health. 3.2 Support to agriculture improves water use and quality. 3.3 Support to agriculture increases biodiversity of farms and rangelands.	3.1 Rate of soil erosion; soil structure and biodiversity; broader indicators of soil degradation under SDG indicator 2.4.1. 3.2 SDG indicator 6.3.2 (proportion of bodies of water with good ambient water quality); SDG indicator 6.4.1 (water-use efficiency); SDG indicator 6.6.1 (percentage of total land area which is defined as wetland); annual irrigation water/total volume of water used. 3.3 Post-2020 Global Biodiversity Framework; GEO-Bon's Essential Biodiversity Variables; the multidimensional biodiversity index for national application; the Biodiversity Habitat Index; the Red List Index (pollinating species).

4th Technical Dialogue

Agenda

30 min before	Dial into the Zoom platform to perform last minute technical checks with participants (audio/video/background adjustments, interpretation checks etc.). The virtual meeting room will be open 30 minutes prior to the start of the meeting.
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11:00 – 11:05 (GMT)	Welcome from moderator, Ms Lystra Antoine.
11:05 – 11:10	Introduction: Aims of the Dialogue; Recap of previous meeting; Objectives of Senior Officials Meeting
11:10 – 11:15	Co-Hosts opening remarks – United Kingdom • Vel Gnanendran, Energy, Climate and Environment Director, Foreign, Commonwealth and Development Office on the evolving context for policy action in agriculture and food systems, leadership and collaboration
11:15 – 11:30	Keynote remarks: • H.E. Ambassador Ayman Tharwat Amin, Deputy Director of the Department of Climate, Environment and Sustainable Development, Ministry of Foreign Affairs, Egypt. Food and Agriculture for Sustainable Transformation (FAST) Initiative and ambition for COP27. • Máximo Torero Cullen, Chief Economist, Food and Agriculture Organization of the United Nations. Milestones and implementation of policy action for sustainable agriculture that delivers triple wins, for people, climate and nature.
11:30 – 11:35	Technical Discussions: Introduction to Break-Out Groups Facilitators will provide conclusions reached in the previous Senior Officials meeting on proposed “success criteria” and summarise information received from countries on milestones to frame the discussion.
11:35 – 12:35	Break-Out Group Discussions

	Discussion questions: 1. In the context of the food, energy and fertiliser crisis, what policy action can we take to build long term resilience through sustainable agriculture that delivers benefits for people, climate and nature? Are your plans changing? What are the new challenges and opportunities emerging through the crisis? 2. How can we use COP27 to showcase and mobilise further policy action on accelerating transition to sustainable agriculture? What initiatives might your country be willing to showcase or explore? What milestones have you set to track progress up to 2030? 3. Are there opportunities for collaboration and partnerships which the Dialogue process could facilitate, to maintain ambition and momentum on policy action?
12:35 – 12:45	Rapporteurs from each break-out group will provide plenary feedback to all attendees, capturing key points raised in discussions.
12:45– 12:55	Co-Host closing remarks and next steps: Julian Lampietti , Director for Global Engagement in the Agriculture and Food Global Practice, World Bank
12:55 – 13:00	Moderator closes the Technical Dialogue. Event Ends

Summary

The second Senior Officials meeting of 2022 of “**Policy Dialogue on Accelerating Transition to Sustainable Agriculture through redirecting public policies and support and scaling innovation**” was held on 28th June, with representatives from 30 countries (see below).

The **Policy Dialogue** was launched by the UK as COP President and the World Bank in 2021. It provides a peer-to-peer forum to mobilise leadership, share experience and identify opportunities for policy action and collaboration to support a shift toward climate resilient, sustainable agriculture that delivers ‘triple wins’ for people, climate and nature.

Objectives



At a time when the world faces immediate crisis in agriculture and food systems, this session intended to review country plans, highlight sustainable solutions and lead actions setting the pace for change and identify opportunities for further collaboration. It further aimed to help identify capacity gaps and challenges to delivering on policy reform where the international community may offer partnerships and support.

Context

The Policy Dialogue is particularly important in the current context of food insecurity and cost of living crises, to help maintain momentum and visibility of efforts to put agriculture and food systems on a secure and sustainable footing, even as we respond to immediate food crisis.

Over 40 countries across 6 continents have engaged in the Policy Dialogue at senior official and Ministerial level. In April 2022, participants broadly endorsed a set of success criteria to frame a common understanding of ‘what good looks like’ for sustainable agriculture. This is framed around delivering triple wins for people (healthy diets and economies), climate (mitigation and adaptation) and nature (protecting and restoring biodiversity). Discussions in June focused on country experience, challenges and plans against the ‘triple win’ objectives. Key challenges, as well as opportunities for progress and collaboration, were identified.

Key messages: opportunities to accelerate transition

- Despite the extremely challenging context of food insecurity and food, fuel and fertilizer price rises, transition to climate-resilient, sustainable agriculture remains a key priority and there are ways to deliver this alongside managing short term pressures. This is critical, to avoid ever-worsening shocks and stresses. There are very difficult choices, but there are also short-term benefits from politically-sensitive policy reform – e.g. opportunities to help farmers reduce dependence on chemicals and fossil fuels, diversify crops and diets and build resilience through support to investment in improved water and soil management
- The proposed Success Criteria for sustainable agriculture that delivers triple wins for people, climate and nature, are relevant for framing the approach
- Sustainable productivity growth is essential, to deliver climate and food security goals – building on traditional knowledge as well as innovation. Policymakers should ensure a focus on food security and farmers’ engagement; supporting livelihoods at the same time as improving long term resilience; integrating adaptation and resilience into crisis responses
- Improving water management and scaling up technologies for efficient water use will be a critical element for transition
- There are no one-size-fits-all solutions to sustainable agriculture and the ‘right’ policy reforms will be context specific, both to geographic as well as political, economic and social context



- A transformational approach should take an holistic view of food systems, including sustainable production and consumption.
- Stakeholders throughout food and agriculture value chains should be involved
- A clear road-map and process to track progress against sustainable agriculture objectives could help to build and maintain momentum at global scale
- Need to redirect both public and private finance toward more sustainable practices
- COP27 is an opportunity to bring coalitions and initiatives together, building a more coherent approach to sustainable agriculture and food systems

Opening remarks

Opening the meeting, UK Energy, Climate and Environment Director at the Foreign, Commonwealth and Development Office (FCDO), Vel Gnanendran and International Biodiversity and Climate Director at the Department for Food, Agriculture and Rural Affairs (DEFRA), Andrea Ledward, noted that the current crisis in food security is the latest in a series that highlights fragility of our food systems. Unsustainable production practices causing climate change and nature loss are key factors in this, yet current agriculture policies and support are driving business as usual, and this exacerbates the problems.

They highlighted growing evidence of the gains from adapting our practices. The World Bank and IFPRI estimate that redirecting \$70 billion a year of global public support to agriculture (about one tenth) to develop and scale up climate resilient, sustainable practices, would yield a net benefit of over \$2 trillion in 20 years. They also noted that wide-ranging country experiences shared through the Dialogue are demonstrating pathways to change.

They noted that policy action is one part of the picture and that innovation and technologies are also needed, to increase productivity and resilience to shocks, whilst reducing harms to climate and nature. The Policy Dialogue is well aligned to the Agriculture Breakthrough Agenda, launched at the COP26 World Leaders Summit. This is a commitment from countries to accelerate development and deployment of the clean technologies needed to meet the Paris Agreement goals. The Agriculture Breakthrough goal is “to make climate-resilient, sustainable agriculture the most attractive and widely adopted option for farmers everywhere by 2030”. An annual ‘state of the sector’ report will be issued, as a framework to build consensus on progress made, gaps and action needed to reach this goal.

Speaking on behalf of the Egypt COP27 Presidency, H.E Ambassador Ayman Tharwat Amin explained that adaptation and finance for adaptation in agriculture, water and food systems are critical concerns that will be highlighted at COP27; with a particular focus on Africa. Egypt’s COP Presidency seeks to mobilise ambition on adaptation finance for agriculture through the proposed ‘Food and Agriculture for Sustainable Transformation (FAST)’ initiative. It is keen to see implementation of commitments made at COP26 and accelerate further action. Ambassador Ayman noted that Egypt is designing the FAST initiative to align with the COP26 Presidency initiatives on sustainable agriculture including the Agriculture Breakthrough on innovation and the Policy Dialogue focused on policy action. Egypt will co-

host a Ministerial level event at COP27 to highlight progress on these and the action, investment and partnerships arising.

He noted that FAST is not intended as an Egyptian-only initiative: COP27 is a launch pad and they are exploring the governance structure that can help carry this forward.

On behalf of the Food and Agriculture Organisation of the United Nations (FAO), Chief Economist Máximo Torero Cullen provided the keynote address. Drawing on the economic evidence, Mr Torero clearly set out the case and potential benefits of repurposing public policies and support to promote sustainable agriculture that delivers triple wins, for people, climate and nature. Please see presentation in annex.

2030 action plans, barriers and opportunities for progress

Countries shared a wide range of policy actions to promote transition, including measures to promote:

Climate Adaption and Mitigation Initiatives

- reduced emissions and environmental impact from agriculture, e.g. legislation to secure reduction in chemical fertilisers and pesticides (Japan)
- use of renewable energy in agriculture (Spain, Nepal)
- food systems approach to deliver sustainable production and consumption e.g. strategies to reduce meat consumption and to reduce food loss and waste (Switzerland)

Innovation

- re-orienting subsidies to help farmers shift to drip irrigation, introduction of solar pumps and more efficient irrigation technologies (Pakistan); support for farmers to increase water-use efficiency (Morocco); rehabilitation of water infrastructure and restoration of degraded lands (Madagascar)
- tools for planning and monitoring sustainable farming, e.g. national soil map (Sierra Leone); building national consensus around metrics and data to measure progress on sustainable agriculture (Italy)
- investing in innovation for sustainable productivity growth (USA)

Enabling regulatory environment

- carbon neutrality law, incentives for farmers to sequester carbon, improve water quality and soil conservation, incentives for adoption of green practices and green technologies (Canada)
- subsidy reform to incentivise more sustainable practices e.g. in fertiliser, energy and water use (EC); afforestation (Pakistan); agro-ecology, agro-forestry and organic farming approaches (France, Spain); silvo-pastoral approaches and measures to remove deforestation from palm oil value chains (Colombia); Action Programme on Nature Based Solutions for climate and

biodiversity (Germany); supporting farmers to increase organic fertiliser use and focus on soil health to maximise potential of local ecosystems (Philippines)

- government capacity for policy-making and implementation on sustainable food systems (Sierra Leone)

Access to finance and collaboration with private sector

- rewarding farmers for environmental outcomes through land conservation and restoration, hedgerows, protection of natural water courses (UK)
- access to finance for climate-smart agriculture technologies and products, through agriculture investment bank (Sierra Leone)
- public-private partnerships for climate smart commodities: Consumer-awareness on benefits of sustainable production; incentivizing the adoption of climate smart agriculture (CSA) practices through public-private partnerships via an application process (USA)

Participation and inclusion

- Design and build consensus around sustainability measures through stakeholder engagement: engagement between Govt, producers and indigenous groups on pricing emissions and reducing these at farm level (New Zealand)

Challenges

- politically challenging time, with food, fuel and fertilizer price crisis and severe food insecurity in some countries – pressure from stakeholder groups eg for increased fuel and fertilizer subsidies, removing environmental safeguards on production etc
- need to increase production in face of import price rises/ lack of access to grain – short term trade-offs with land sparing
- market failure to value and reward protection / sustainable management of natural resources: “When people’s livelihoods are threatened, the first resource they destroy are those that are freely available to them.” (Sierra Leone)
- lack of sustainable, predictable and accessible finance: central to for scaling sustainable approaches. Especially challenging for developing countries
- Internationally – proliferation of initiatives to address sustainable agriculture and food systems, risk that these will be superficial and fragmented

Opportunities for collaboration

- Facilitate knowledge sharing and learning e.g. through Policy Dialogue, Agriculture Breakthrough, FACT Dialogue
- Highlight investments in R&D that prove beneficial for productivity and sustainability



- Facilitate collaboration for transfer of sustainable technologies and tools from developed to developing countries e.g. tools to increase efficiency in fertilizer and chemical use, and in irrigation
- Support transparency of market prices and data
- Mobilise investment in innovation, including through the Agriculture Breakthrough, the Agriculture Innovation Mission for Climate (AIM4C) initiative co-hosted by USA and UAE; and US-led Climate Smart Fertilizer Coalition
- Facilitate flow of finance through public-private partnerships
- Support developing countries to gather and provide data against internationally agreed indicators eg SDG 2.4.1.
- Holistic food systems approach, including tackle food loss and waste
- Align the Policy Dialogue with work of the Koronivia Joint Working Group on Agriculture e.g. explore potential for recommendations from the Dialogue to feed into KJWG and the Dialogue as a forum to share knowledge and support implementation of the outcomes from the KJWG negotiations
- Streamline the many initiatives on agriculture, climate and nature

Closing remarks and next steps

Julian Lampietti, Deputy Head of the Global Food and Agriculture Practice of the World Bank provided closing remarks. He noted that each country will need to follow its own pathway to sustainable agriculture and food systems. In all countries, however, farmers and other key businesses in agriculture and food systems will need guidance, support and the right incentives to shift to more sustainable practices. Collaboration is key, and the Policy Dialogue is intended to facilitate that.

Building on discussions during the meeting, he noted the need to redirect both public and private investment. Agri-food businesses and stakeholders are increasingly aware of the risks of 'business as usual' and many are eager to invest in more sustainable supply chains. To facilitate further collaboration, the Policy Dialogue hosts will convene a Policy Action and Investment Roundtable in the autumn, designed to enable bring public and private sector stakeholders to share experience, good practice and opportunities for collaboration.

Acknowledging the context of food security crisis and food, fuel and fertiliser price rises, the Policy Dialogue provides an on-going forum for lead countries to share experience and set the pace on solutions for sustainable agriculture. The co-hosts will convene a Ministerial Roundtable ahead of COP27 to highlight progress, challenges and new commitment and collaboration for policy action, innovation and investment in sustainable agriculture. This includes progressing the Agriculture Breakthrough agenda, whose goal is 'to make sustainable agriculture the most attractive and widely used option for farmers everywhere by 2030'.

5th Technical Dialogue – Investment Workshop

Agenda

1) Introduction (10 min)

Setting out the challenge: why and how does investment in agriculture and food systems need to shift?

- Overview of objectives and desired outcomes from the workshop
- The policy context and the role of the success criteria, and the opportunities towards COP27 and beyond

2. How can public\private collaboration can shift investment away from harmful practices, to deliver triple wins from agriculture? Case studies (20 min)

- Partnerships For Forests
- British International Investment
- Sustainable Rice Landscapes

3. Break-out sessions: (40 min)

- What is needed to de-risk and scale up investment into sustainable agriculture and food systems?
- How do we scale up investment into supporting sustainable smallholder producers?
- How can public and private sector actors integrate true cost accounting and the true value of food into their decision making?

4. Returning to the group (25 min)

5. How to start embedding these changes (15 min)

- What is needed
- Introduction to the Co-Investment Platform

6. Next steps and close (10 min)

- Policy Dialogue, JRT & COP27
- Future meetings through the Co-Investment Platform

Summary

This workshop constituted a first meeting to discuss the opportunities for public-private collaboration which will scale up investment into sustainable agriculture and food systems. This supports the policy action that was initiated by the UK COP26 Presidency and World Bank in 2021 as part of the 'Policy Dialogue on Transition to Sustainable Agriculture through redirecting public policies and support and scaling innovation' ('Policy Dialogue').

Delivered in partnership with the EAT Foundation, Good Food Finance Network, World Business Council for Sustainable Development, and Just Rural Transition, this meeting sought to consider how public-private collaboration can set the right enabling policy environment and investment solutions to drive a systemic shift towards more sustainable agriculture and food systems.

Aims:

The aims of the workshop were to:

- Share experience and lessons learned from successful public-private partnerships that have delivered increased investment in sustainable agriculture and food systems;
- Identify preconditions that can help to accelerate private investment into sustainable agriculture and food value chains, how to make the case for these and how to put them into operation;
- Develop tangible next steps to facilitate public-private collaboration.

Participants were invited to share their perspectives on the transition to more sustainable agriculture, and to come prepared to contribute to the discussion themes of the breakout sessions set out in this note.

Opening remarks: Andrea Ledward, Director for International Biodiversity and Climate, UK Department of Environment, Food and Rural Affairs

In her opening remarks Andrea highlighted:

- The difficulties that the current food security crisis has created, underpinning a fragile and at-risk global food system, and the need for increased production whilst protecting these same systems from degradation and climate change impacts.
- That there are opportunities in transitioning our agriculture and food systems to more sustainable pathways - redirecting just \$70 billion of annual public support for climate-smart innovation could deliver net economic gains of \$2.4 trillion in 2040 while reducing the harmful effects of current agriculture support.
- Businesses are also looking to benefit, developing solutions for a net zero, nature positive food system that could generate up to USD\$4.5 trillion of new business opportunities annually by 2030.

Case studies:	
“How can public-private collaboration shift investment away from harmful practices, to deliver triple wins (people, climate, nature) from agriculture?” Partnerships for Forests, Latin America.	UK supported Partnerships for Forests shared experience from the livestock sector in Brazil: Traceability generates a disincentive to land-grabbing and helps shift incentives from illegal to legal economy: The ‘Beef on track’ initiative works with government and actors in the supply chain to harmonize the rules for cattle purchase, audits and public reports which is linked to a sustainability tool, helping to shift investment to more sustainable land use. An example of how this market is evolving is Conecta, a business that combines a sustainability protocol with a monitoring tool to offer a streamlined, comprehensive solution for achieving transparency across the value chain for the Brazilian beef industry. It offers an

	intelligence tool that combines data from satellite monitoring and blockchain technology to verify the presence of illegal deforestation and other social and environmental nonconformities in the beef production chain.
“How Vietnam’s policies enable private sector investment in sustainable rice production” Olam Agri, Vietnam.	NFCC programme between Olam, Ministry of Agriculture and GIZ collaborated to deliver on sustainable rice production. They worked on supporting smallholder rice farmers in Mekong Delta through training in sustainable rice farming such as more efficient water and fertilizer use; reducing water-use by 40% and a 12-15% reduction in fertilizer use whilst increasing farmer incomes. Private sector engagement helped provide incentives for farmers to adopt more sustainable farming and has helped farmers to reach rice export markets.

Break out group 1: What is needed to de-risk and scale up investment into sustainable agriculture and food systems – what are the key barriers and enablers?

Key notes:

- Need to keep farmers at the centre of decision making.
- Pushing debt onto farmers is not an ideal solution, as other stakeholders gain the credit.
- We need to drive transformation by working more closely with farmers and between stakeholders including corporate and financial sectors to break down silos and create more platforms for collaboration.
- Companies established that change cannot be achieved by them alone. That they must be given the opportunity to work with all relevant stakeholders, for example, sharing research and risk with the public sector.
- This makes investment for the public easier to achieve within the country. Companies can form global platforms which enables greater investment while making it easier for the sector to work together.
- A common thread is the need for co-operative de-risking across value chains. Sustainability has the potential to be seen as a de-risking mechanism because it helps increase supply chain resilience.
- One barrier is limited communication and knowledge exchange between private sector companies – and the potential to enhance this by taking a landscape lens to de-risking.
- Blended and concessional finance remains important, with the public sector sharing risk; but this requires increased awareness at government level of the case for repurposing.
- Need common metrics for collection of data to demonstrate impact consistently.

Break out group 2: What Government policy measures can be taken to help redirect more private investment toward sustainable agriculture and food systems?

Key notes:

- Public-private burden sharing helps to spread the risk of developing, deploying, and training farmers to use sustainable approaches and technologies.
- Public-private collaboration can help to work with fragmented supply chains, including smallholder farmers.
- To shift demand as well as supply - consumer education and carbon labelling on food are some options to do this.
- Need public-private collaboration to establish sustainability standards. Farmers are often pushed to improve productivity but not in a sustainable way – need to build sustainability into productivity.
- Monitoring and metrics are vital for private companies and farmers to have clear guidelines on sustainable practices, standards, and impact.
- Food industry requires government intervention for supporting sustainability including strengthening research and development.
- It is a challenge for investors to reach fragmented smallholder supply chains. Need to explore unconventional partnerships for reaching smallholders e.g., companies that sell inputs (e.g., fertilisers) and traders/aggregators that reach hundreds of thousands of smallholders.

Break out group 3: How can Public and Private sector actors integrate environmental and social risk into their decision making?

Key Notes:

- Public and private sector integration could begin by highlighting immediate barriers and establishing ways forward.
- This could be achieved through identifying previous public and private sector collaborative models, for example, the 'GAVI' vaccine partnership.
- Using government issued bonds/ debts to markets could help finance transformation projects that invest in climate outcomes.
- Food producers and others in the supply chain need the right level of social and financial support. This could be done by engaging with them to strengthen their capacity and improve regional and national discussions on this.
- Establishing and supporting the market for biodiversity and carbon can be an enabler to support the repurposing of subsidies by enhancing investment and limiting the role for government subsidies.

Opportunities for action

After a statement from Gunhild Stordalen, founder and executive chair of EAT, we heard from Olav Kjørven and Joe Robertson about the **Co-Investment Platform**, a multisector platform that will mobilise finance for climate-smart food systems transformation. They will look to work with stakeholders to prepare and deliver on scaled up, investible opportunities that crowd in funding from bilateral donors, multilateral institutions, and private-sector financial entities.

<https://ctzn.earth/cip-timeline>

Closing remarks: Dominic Jeremy, Director General, Foreign, Commonwealth and Development Office

In his closing remarks Dominic highlighted:

- The need for a transition to sustainable food systems to be more than finding a few 'bankable projects' – it requires a systems wide shift in incentives toward sustainable agriculture and food systems that deliver for people, climate and nature.
- The Policy Dialogue as a space to identify the policy approaches that can help shift both public and private investment toward sustainable food systems.
- COP27 as a platform for the Policy Dialogue to bring the examples discussed today to the fore at Agriculture and Adaptation Day, as well as the mechanisms to deliver this change such as the Co-Investment Platform.

6th Technical Dialogue

Agenda

	Dial into the Zoom platform by no later than 5 minutes before the start to join participants at the virtual meeting with cameras on, microphones off (audio/video/background adjustments, interpretation checks etc.)
0-2	Welcome from moderator, Ms. Melissa Pinfield <u>Points to Make:</u> • Welcome esteemed guests to the inaugural 2023 Policy Dialogue event. We appreciate taking the time today and the engagement and support over the past 2 years. • Agri-food systems transformation remains essential if we are to deliver against the world's climate goals, the world's environmental goals and the sustainable development goals. The Policy Dialogue is a platform for peer support and mobilizing action to accelerate that transition. Today we are here to learn from each others experiences and our collective ambition for resilient, sustainable agriculture. • We have an exciting range of speakers and discussion sessions to follow. Indicate the session is intended to be interactive and open discussion. This is a closed door event with a summary readout to be shared with participants after the event.

	Housekeeping rules - Grateful if you can remain on mute during the presentations, encourage you to use the chat function and raise virtual hand when wanting to come in with a question. Interpretation will be provided in the main plenary.
2-7	<u>Melissa to introduce Debbie Palmer, Energy Climate and Environment Director at FCDO and co-convenor of the Policy Dialogue, to provide some opening remarks.</u> Co-Host Opening Remarks Ms. Debbie Palmer, UK FCDO Energy, Climate and Environment Director Refresh on aims of the Policy Dialogue; progress over past two years;; progress and ambition for the Policy Dialogue agenda 2023-2030; objectives of Senior Officials meeting
6-10	<u>Melissa to introduce HE Eng. Mohammed Alameeri, Assistance Undersecretary of Food Diversity Sector, UAE to provide some keynote remarks on the UAE COP28 Presidency ambitions for Food System Transformation.</u> Keynote remarks HE Eng. Mohammed Alameeri, Assistant Undersecretary of Food Diversity Sector, United Arab Emirates COP28 ambition for Food Systems Transformation
10 -15 min	Q&A on Policy Dialogue ambition and COP28 plans <u>Melissa to open floor for any clarificatory questions</u> - Highlight that additional information on the Policy Dialogue deliverables was shared prior to this call and we will write out following this call with more detail. - Reiterate plan for in-person workshops in summer and this session to identify the focus for those workshops – and that we are grateful to be connecting with UAE colleagues on how we can support their Presidency.

	- Any further comments are welcome in writing in follow up.
15-25	<u>Melissa to introduce World Bank presentors Bill Sutton, Lead Agriculture Economist and Climate Smart Agriculture lead, World Bank, and Ghada Elabed, Senior Agriculture Economist.</u> <u>Bill will first talk to an overview and preliminary findings from World Bank flagship report on decarbonizing the agri sector and Ghada will then talk to lessons and opportunities in approaches to policy reform and shifting incentives to deliver triple wins for people, climate and nature.</u> Evidence and policy approaches for redirecting support for agriculture and food systems transformation in line with triple-win ‘success criteria.’ World Bank Presentation on: Mr. William Sutton, Lead Agriculture Economist, World Bank - Decarbonization of the Air and Recarbonization of Landscapes (DARL): Overview and Preliminary Findings Ms. Ghada Elabed, Senior Agriculture Economist, World Bank - Options and lessons learned from a range of approaches to policy reform for sustainable agriculture
25-30	<u>Melissa to introduce David Laborde,</u> <u>Milestones for Policy Reform – FAO</u> Mr. David Laborde, Agri-food Economics Division, Food and Agriculture Organization (FAO) Policy Dialogue and Agri-Food Systems plan. Aims and process to develop an agri-food systems roadmap for SDG2; role of policy reform as a key pathway to sustainable agri-food systems
30-35	Technical Discussions: Introduction to Break-Out Groups

	Moderator will summarise information conveyed from presentations to frame the discussion. <u>Points to Make</u> - Thank you to the presentors for so clearly setting out the context, opportunities for policy action and ambitions up to COP28. - We will now move to group breakout sessions to pick up on these themes and reflect your own experiences – and how this group can collectively bring together shared expertise and experience going forward to build action behind priority policy pathways. - There is a strong evidence base behind the benefits of resilient, sustainable agriculture and in repurposing, where appropriate, to deliver ‘triple win’ outcomes. - You will be automatically assigned into breakout rooms now where we will have 45 minutes to discuss the question and prompts circulated before this session and that will appear on your screen shortly. Facilitators and rapporteurs to report back to plenary on discussions have been assigned to your groups.
35-78	Group discussion: priority approaches and key issues for further exchange and exploration Identify 3-5 priority approaches to policy reform and, or redirecting support Faced with climate and environmental risks to your food and agriculture sectors, what do you see as the key challenges and opportunities for policy reform and repurposing public support to address these; and which policy approaches or issues would you like to explore further through the in-person workshops? 1. What policy interventions seem most relevant to your domestic context? (Why?) 2. What tools do you find useful to assess climate and nature risks and determine appropriate policy responses?

	3. What approaches have you found helpful to secure broader buy-in across government (including Ministries of Finance), value-chain actors, farmer organisations etc? <i>Facilitator prompts – for the second half of the session do prompt discussion back to the 4/5 priority policy approaches that we collectively want to focus on at the workshops over the summer that can accelerate transition to sustainable agriculture.</i>
78-85	Rapporteurs from each break-out group will provide plenary feedback to all attendees, capturing key points raised in discussions.
85-88	Closing remarks World Bank, Mr Julian Lampietti, Program Manager, Global Engagement Unit, Agriculture and Food Global Practice
88-90	Moderator closes the Technical Dialogue and outlines next steps Event Ends

Summary

The first Senior Officials meeting of the 2023 series of the global “**Policy Dialogue on Accelerating Transition to Sustainable Agriculture through redirecting public policies and support and scaling innovation**” was held virtually on 24th May with two identical sessions (to accommodate different timezones). The meeting brought together Senior Officials from 18 lead countries to review progress and priorities for both domestic policy action and international commitment.

The **Policy Dialogue** was launched by the UK as COP President and the World Bank in January 2021. It provides a peer-to-peer forum to share learning, showcase success, and build commitment to the policy measures needed for sustainable agriculture and food systems. Aligned with the UNFCCC and complementary to negotiations, it supports ambition and learning on agriculture and food systems policies that can be embedded in country NDCs and NAPs as well as other Rio Convention and Sustainable Development Goal plans and targets.

The objectives of the Senior Officials meeting were to:

- Agree on Policy Dialogue priorities for 2023 and alignment with the UAE COP28 Food System Transformation Campaign;
- Identify policy approaches and priority issues that Policy Dialogue participants would like to explore further through two in-person technical workshops planned for mid-2023;



- Identify a process to promote agriculture and food systems reforms through NDC and NAP planning processes and, where relevant, opportunities to attract greater climate finance resources to support reforms. This builds on the set of ‘success criteria’ broadly endorsed under the Policy Dialogue in 2022 and the Policy Action Agenda launched at COP26.

Opening Remarks

Debbie Palmer, Energy Climate and Environment Director for the Foreign, Commonwealth and Development Office (FCDO) and **His Excellency Mohammed Alameeri**, Assistant Under-Secretary of the Food Diversity Sector at the Ministry of Climate Change and Environment for the **United Arab Emirates (UAE)** offered opening remarks.

Ms Palmer highlighted the opportunities that agriculture holds to find critical solutions to climate and environmental challenges while also supporting rural livelihoods. In particular, the key role for Governments in setting policy incentives for public goods, support to farmers in making the necessary transition to sustainable agriculture and setting signals to direct private investment. She also stressed the important role for innovation to unlock a more sustainable and profitable future for farming and agriculture, the uptake and scaling of which are linked to policy action, and commended the UAE and the US for currently mobilising investment in climate-smart innovation through the Agriculture Innovation Mission for Climate (AIM4C) which is complemented by the Agriculture Breakthrough Agenda launched by the UK at the COP26 World Leader’s Summit. Ms Palmer recognised that we all need to step up the pace to identify solutions, welcoming progress through the Policy Dialogue this year and in support of the UAE COP28 Presidency.

Mr. Alameeri, underscored the UAE’s commitment to 2023 being a Year of Sustainability, focused on global collaboration and innovation. He announced that promoting food systems transformation will be a key theme in the COP28 Presidency. He noted that AIM4C has now mobilised more than US\$13 billion of increased investment in climate-smart agriculture and food systems innovation and highlighted the importance that collaborative processes such as the Policy Dialogue bring to build cross-sectoral and multilateral cooperation in support of a transformative agenda.

The World Bank and the Food and Agriculture Organization (FAO) presented their current work.

William R. Sutton, Lead Agriculture Economist and Climate Smart Agriculture lead at World Bank, and Ghada Elabed, Senior Agriculture Economist at World Bank, provided an overview of the preliminary findings from a World Bank flagship report on decarbonising the agri-food sector¹, and lessons and opportunities in approaches to policy reform and shifting incentives to deliver triple wins for people, climate, and nature.

David Laborde, Agrifood Economics Division Director at the Food and Agriculture Organization (FAO), presented the aims and process to develop an agri-food systems roadmap for SDG2, and the role of policy reform as a key pathway to sustainable agri-food systems that will be defined at COP28 with a subsequent report on how it will be implemented by COP29.

Break-out Discussions



Countries shared their perspectives on the key challenges and opportunities for policy reform and repurposing public support to address climate and environmental risks to their food and agriculture sectors, and specifically:

- **What policy interventions seem most relevant to your domestic context? (Why?)**
- **What tools do you find useful to assess climate and nature risks and determine appropriate policy responses?**
- **What approaches have you found helpful to secure broader buy-in across government (including Ministries of Finance), value-chain actors, farmer organisations etc?**

Countries shared a wide range of policy actions to promote transition, including measures to promote:

Policy interventions

- Resilience and climate-smart agriculture and enhanced forest production/reforestation. ‘Green Ghana Day’ was initiated to encourage tree planting, resulting in over 10 million planted over the last 2 years (Ghana).
- A nature-based solutions plan with over 60 interventions includes both agricultural interventions and demand side interventions encouraging plant-based diets. Also contributing to the World Bank Food Systems 2030 Trust Fund and co-leading the Global Alliance on Food Security initiative which has produced a data dashboard to bring together available information sources and responses on food security (Germany).
- Incentives and training to adopt positive practices, such as for a no till system, and the planting of high-value products with low water needs, such as cactus and carob trees. The Generation Green 2030 strategy is addressing climate change issues by providing subsidies and help to farmers to address climate change and low rainfall challenges (Morocco).
- Access to climate finance, investment in sustainability and climate, adaptation and innovation the FAST initiative, launched by the Egyptian COP27 Presidency. New domestic programmes launched for maize, wheat, rice, and all field crops and supporting measures include agriculture cooperatives. Implementation has also started on the pathways solution for food systems transition developed at the UN Food Systems Summit 2021, e.g., developed a multi-sectoral nutrition strategy and implemented the approach of improving natural resources use efficiency (Egypt).
- A shift from production-based payment to payments for ecosystem services, with reform cycles every four years. Last year a decision was made from 2030 to broaden beyond agricultural policy to look at the food system (Switzerland).
- Diversification of agricultural production and biodiversity protection through a policy that places criteria on the use of land and other natural resources (Costa Rica).

A shift to a market-oriented approach which provides opportunities to farmers to do business on their needs and terms. A new agri-food policy strategy, approved in 2019, repurposed expenditure from primary production (cotton and wheat) to support other needs, such as irrigation, extension services knowledge hubs. Now looking to expand to all regions (Uzbekistan).

Tools to determine appropriate responses and approaches to secure buy-in for transition

- Investment in research for climate adapted and resilient production, as well as investment in climate resilient infrastructure. A national research centre is looking into climate resilient seeds and reforestation projects for carbon sequestration and as an energy source (Madagascar).
- Emissions targets coupled with investment in research and development. A NZ\$340 million climate centre helps provide the farmers with the tools and knowledge that helps them to adapt and respond to emissions targets, with emerging innovative pricing scheme encouraging uptake. 80% of NZ farmers know their emissions and this is promoting reductions (New Zealand).
- Multi-stakeholder dialogues on transition that allowed all actors in the value chain to own responsibility and share their voices. Government sets the direction of the dialogue, but all stakeholders are involved. Interest in learning and collaborating with others and through key initiatives (Netherlands).
- Accountability for policy delivery through legislation and legally binding targets on climate and environment. These have helped in focus the need for Ministries to work together on solutions that deliver results. Policy reforms include phasing out area-based payments and repurposing to actions that will deliver for environment and climate. Different elements of scheme design were tested with farmers. A net zero growth plan sets out the approach to measure carbon on farms and how farmers can understand emission sources through carbon audits (UK).
- Incentives for reducing GHGs while increasing sustainable production through establishment of a legal framework and carbon pricing system. GHG targets are enshrined in law with a requirement to report every five years and all sectors of the economy are expected to contribute. Farmer associations are now developing their own roadmaps to net zero (Canada).

Knowledge-sharing and learning between domestic agencies and with international partners, such as working with Mexico to share learning on tackling anti-microbial resistance in sustainable way (Denmark).

Some of the challenges highlighted by participants include:

- Looking beyond agricultural policy to a food systems approach, including consumption/demand-side and dietary recommendations alongside production, transportation, etc.
- Considering linkages between demand-side and supply-side, and balancing sustainable diets with affordability.
- Retaining efficient production while also respecting the boundaries of nature.



- Behavioural changes and the issue of how to influence people to take up new practices.
- The need for markets to acknowledge the quality and value of sustainable products to enable transformation.
- How to build shared buy-in with opportunities for all those impacted by policy reform to voice their opinions. Requires a difficult but necessary transition in policy convenings.
- How to provide continuity between administrations and stakeholder groups.
- Climate shocks, which are having a significant impact on small-scale farmers on top of limited resources and poor agro-economic practices with low productivity. How to provide support to small-holders, while also supporting medium and commercial farms, and megafarms to increase productivity.
- Importance of local context, as the issues and challenges differ across countries, so finding common themes can be difficult.

Areas of interest for technical deep-dives highlighted by participants include:

- How to develop a common outcomes-based framework for measurement to allow comparison between countries and incentivise policy action. Carbon measurement needs to be high quality and interoperable, also need to be able to measure progress on biodiversity, water quality, animal welfare, etc. Also need to prevent agricultural policy from being unilateral barriers to trade.
- How to strengthen data and the global evidence base, to quantify contributions of different ecosystem service actions. These give a clear understanding of actions which can deliver a quantified contribution to emission reduction, water quality improvement, etc.
- How to collaborate/communicate effectively with farmers. E.g. Approaches which promote farmers' understanding of their GHG emissions and what actions can be taken to achieve targets appropriate to their local context. E.g. regular climate change risk assessments that identify risk and opportunities, including in relation to agricultural productivity, with government then developing a response to those risk and opportunities. On the adaptation side, dissemination of climate information to small-scale farmers so they can plan ahead with seasonal climate forecasts. Having this information can also influence policy direction and support to farmers in planning the following year's crop.
- How to build buy-in and design effective policies that farmers support, disseminate knowledge, and promote behavioural change, acknowledging that farmers are often reluctant to be told what to do by government.
- How policy reform and a legal framework can provide "carrots" and "sticks", including target-setting/regulation/legislation on the one hand as well as positive incentives that promote low emission value chains, new technological developments and application, and increased private sector investment and business opportunities.

- How to implement digital and precision agriculture that could help with more efficient water use. Digital tools are an important aspect of support and for growth.
- How to transfer technology at a fast enough pace.
- How to develop and implement integrated approaches that can e.g., simultaneously increase biodiversity and sequester carbon.

7th Technical Dialogue

Agenda

<u>Welcome and opening session (08:30 – 10:00)</u>	
08:30 – 09:00	Coffee and tea available on arrival
09:00 – 9:35	<u>Introductory Plenary session – Sustainable Agriculture Policy Pathways for Food Systems Transformation</u> <u>Moderator: Melissa Pinfield (Meridian, Just Rural Transition Executive Director)</u> Welcome and Opening Remarks 09:00 – 09:25 - Welcome to delegates from Moderator and quick run through of outline and logistics for day. - Rt Hon Andrew Mitchell, UK FCDO Minister of State (Development and Africa) - virtual opening address (pre-recorded) on Policy Dialogue objectives and scaling ambition this year. - Martien van Nieuwkoop, Global Director for Food and Agriculture, World Bank Group - on the Food Systems Summit and framing of the Policy Dialogue within its outcomes and the objectives of the Workshop.

	- Maximo Torero, Chief Economist, FAO - on outcomes of UNFSS Stocktake and ties with the Policy Dialogue and repurposing agenda 9:25 - 9:35 - Moderated Panel Q&A with WBG, FAO and UK on objectives of the Dialogue, links with other initiatives and how to scale action in this area up to UNFCCC COP28 and beyond.
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Policy Pathway Sessions (10:00 – 12:30)

9:35-9:45	Introduction to Policy Pathway discussion groups (Melissa Pinfield, Moderator, Madhur Gautam, Lead Economist, World Bank Global Agriculture Practice) – Introduction to purpose of the policy pathway sessions, discussion questions and brief summary of the context in each of the 4 policy areas. Discussion Questions for each group: • How do the policy reform processes outlined below resonate with experience in your country and what is your experience of delivering them? • What key issues and steps should be considered in design and implementation of these policy approaches? • Internationally, what measures could be taken to facilitate this type of policy change and what are the opportunities to make that happen?	
9:45-10:45	<u>Breakout Group 1 – first policy session</u> Facilitator: Anna Locke (JRT), note taker: Ross Mackintosh (FCDO) Policy Topic: Realigning and redirecting, and reforming as needed, public policy and subsidies to incentivize a shift to more efficient /greener use of fertilizers	<u>Breakout Group 2 - first policy session</u> Facilitator: Felicitas Röhrig (BMZ), note taker: Jan Brix (BMZ) Policy Topic: Payment for eco-systems services through targeted policy measures and instruments;

10:45-11	Tea/Coffee/Comfort break	
11:00-12:00	Breakout Group 1 – second policy session Facilitator: Anna Locke (JRT), note taker: <u>Ross Mackintosh (FCDO)</u> Policy Topic: Policy measures and approaches to incentivize soil health for sustainable production;	Breakout Group 2 - second policy session Facilitator: Shobha Shetty, (World Bank), note taker: Luke Hart Gates (World Bank) Policy Topic: Public policy reforms that incentivize water conservation on farms and throughout the agricultural value chain.
12:05-12:30	Summary of policy pathway discussions Moderator: <u>Melissa Pinfield (JRT)</u> Open Plenary Q&A and reflections from participants on policy pathway discussions. Guiding question – <u>How can we collectively mobilize more action behind key policy shifts.</u>	

<u>Lunch (12:30 – 13:30)</u>	
12:30 – 13:30	12:30 – 13:30 - Buffett lunch served

Final session (13:30 – 15:00)

13:30 – 14:15	Multi-stakeholder policy processes working with farmers, value chains, indigenous groups and other relevant stakeholders to achieve a just transition in policy reform – opportunities, challenges and next steps – (Melissa Pinfield, Executive Director Just Rural Transition, Anna Locke, Just Rural Transition). Plenary roundtable discussion Guiding Question: Policy issues are politically very sensitive and impact stakeholders differently. In the process of developing and implementing policies, how do you engage with farmers and other key stakeholders across the value chain?
14:15 – 15:00	<u>Closing Plenary Session – Session summary and Next Steps (AGRF, COP28 and beyond)</u> 14:15 – 14:35 – Open plenary session with any headline reflections on the day and suggested next steps. Quick-fire interventions capped at 1-2 mins. How can we collectively mobilize more action in key policy shifts? How can we work with key stakeholder groups outside of the government? 14:35 – 15:00 - Forward look and closing remarks - Cathy Kamau, Policy and Program Officer. Policy pathways, food systems transformation and the AGRF 2023 Summit (taking place in September in Tanzania). - Kristofer Hamel, UAE COP28 Presidency. Preparations for UNFCCC COP28 and ambitions on food system transformation – how the Policy Dialogue can support ambitions. - Martien van Nieuwkoop, Global Director for Food and Agriculture, World Bank Group. Final closing remarks.

Optional informal networking (15:00 – 16:00)

Plenary room will remain open until 16:00. Attendees welcome to stay to network with other colleagues and reflect on discussions and next steps.

Summary

Purpose of the Global Policy Dialogue: Catalyse policy leadership to accelerate transition to sustainable agriculture and food systems.

Objectives

The objectives of the in-person Policy Pathways Workshop in Rome were to learn from the experience of other countries on the below four themes, which were previously identified in our May session. These sessions were complemented by broader discussions on opportunities to raise ambition and facilitate partnerships through the Dialogue itself and in the run-up to COP28.

- 1) Realigning, redirecting, and reforming as needed, public policy and subsidies to incentivize a shift to more efficient / greener use of fertilizers
- 2) Payment for eco-systems services through targeted policy measures and instruments
- 3) Policy measures and approaches to incentivize soil health for sustainable production
- 4) Public policy reforms that incentivize water conservations on farms and throughout the agricultural value chain.

Across these four themes, participants were asked to identify from their own experience:

- Key issues and steps to consider at the domestic level in design and implementation of these policy approaches to sustainable agriculture that meet with ‘triple win’ criteria: for people, climate and nature.
- Steps and learning from approaches to promote, manage and implement inclusive agriculture and food systems reforms in climate and environmental plans and decision making.
- Opportunities and next steps, where relevant, to attract greater climate finance resources and capacity to support reforms.

Policy Action and Way Forward



A central theme of discussion at the dialogue in Rome was that transition to low emission, climate resilient agriculture practices needs to centre on people and should engage stakeholder at all stages. This recognizes that stakeholders have vested interests, may have a significant stake in existing agriculture production systems and processes or may stand to lose from changes in the short term. Many participants highlighted the importance of stakeholder engagement to support equitable change ‘through the valley of transition’ to more sustainable practices that benefit everyone.

On **policy approaches to improve the efficiency of fertilizers**, there was a consensus that focusing solely on fertilizer subsidies was insufficient and could be counterproductive. Weak knowledge systems and missing advisory services were highlighted as additional constraints that needed to be resolved. It was recognised that transition will mean different things for different countries; for instance for some countries the challenge is overuse of fertilizers while for others it is lack of sufficient access to and or use of appropriate fertilizers. Finally, the need to make the policy process inclusive and ensuring good communication with all stakeholders was highlighted as essential for successful implementation.

A variety of policy approaches and experiences were shared by countries during the discussion which included (i) moving away from focusing only on fertilizer subsidies and taking a more holistic approach which includes offering the right mix of technologies along with the necessary advisory services to prevent overuse, (ii) introducing blends of chemical and biological fertilisers to address issues of soil fertility and reduce fiscal burden of subsidising chemical fertilizers, (iii) scaling up precision agriculture by investing in tools that support farmer decision-making and optimising fertilizer use, (iv) improving data systems and setting up digital farmer registries to improve targeting and transparency of fertilizer support programs so that subsidies reach underusers rather than everyone, which results in overuse, (v) moving away from providing subsidies tied to specific crops to incentivize diversification and optimal allocation of resources, and (vi) introduction of regulations that require mandatory cover crop and use of organic fertilizers.

The discussion **on soil health** recognised that declining productivity and land degradation are interlinked. Quality soil data was highlighted as one of the key elements necessary to improve the stewardship of agricultural soils. Experience suggests that soil health was an easier entry point for an opportunity to repurpose existing fertiliser subsidies towards soil health as a primary outcome, as farmers better understood the implications of soil health and were more open to adopting practices that directly impacted their profitability.

Similar to the case of fertilizers, countries shared a diverse range of policy approaches to improve soil health which included (i) improving capacity of extension systems to conduct soil analysis, monitor soils over time, and digitise information for analysis and dissemination, (ii) piloting Nature Based Solutions and setting up farmer schools to encourage adoption, (iii) introducing regulations to prevent exploitation of carbon sinks such as peatlands, and providing incentives for practices that improve carbon sequestration such as no tillage, cover crops, etc., and (iv) linking production support to specific agroecological zones to discourage land conversion for agriculture.

Payments for ecosystems services was highlighted as an effective tool to manage repurposing and incentivize the necessary changes in farming practices and behaviours to transition to sustainable

agriculture. Complexity of MRV [spell out acronym] systems was highlighted as a major challenge along with the need to have coherence in public policy. It was stressed that a comprehensive policy change needs [needs what?] and introducing PES alone is not sufficient to ensure a transition to sustainable agriculture in the presence of other distortive subsidies. Countries shared a wide variety of approaches being implemented which included (i) introducing tradeable biodiversity certificates that businesses can buy, (ii) offering discounts on interest rates for adoption of practices that provide environmental services, (iii) cash transfers to communities and producers for environmental preservation, and (iv) upfront grants to incentivise landscape restoration.

Water is a critical input for agricultural production, and climate change-induced weather-related shocks, including droughts and floods, present a significant risk to agricultural production. This is particularly important in water-stressed countries and requires mechanisms that result in efficient water use. Approaches undertaken by countries facing water shortages included (i) establishing functioning water markets to incentivize efficient water use such as issuing water entitlements which can be traded in a market, (ii) building the capacity of small holder farmers, (iii) development of crop varieties that are water conserving, (iv) subsidising investments in irrigation technologies through interest rates on loans, and (v) incentivizing producers to maintain soil cover, either through non tillage, or other farming techniques that improve both soil health and water conservation. Country representatives also discussed some of the lessons learned through the implementation of water conservation policies, these included having a comprehensive regulatory framework that not only provides carrots (incentives) for proper adaptation but sticks (punishment) for bad actors. Through these policies, simply publishing the names of those that overuse water might cause enough social stigma to hinder their further abuse, while also having further legal ramifications for those that might continue to do so. This balances the cost of enforcement by using public sentiment, which is a far cheaper resolution than forcing overusers to court to pay a fine.

More detail on country experience can be found in the **Compendium of Country Case Studies** on progress toward policy action.

Challenges and lessons to implementing Policy Changes

Through the Dialogue, policy makers shared barriers in shifting policies toward sustainable agriculture. Particularly in poorer countries, small-holder farmers are extremely vulnerable to the impacts of climate change and biodiversity loss, but also to the impact of any loss in government support. Balancing the needs of small-holder farmers with the need to attract private investment into the sector for climate adaptation and mitigation efforts was also emphasized. Governments need the institutional capacity to deliver these changes that includes not just technical expertise, but also stakeholder engagement, and the flexibility to adjust policy based on local circumstances. In local communities, the cultural value of certain crops needs to be carefully determined in order to maintain positive relationships between policy reformers and producers. Technology adaptation and implementation was also identified as a challenge, as there are gaps in data at the local and country level, while some technology solutions remain expensive for countries to buy. Participants re-confirmed the need for a Just Rural Transition that takes food security and livelihoods into account and the need to re-locate production and agricultural inputs within planetary boundaries.

Key take aways

Several main messages emerged for the policy dialogue.

- Design and implementation of the policies and support needed to accelerate a transition to sustainable agriculture that benefits people, climate and nature is complex, challenging and to some extent context specific. Sharing experiences, tools and learning through guided discussions provides social awareness of what others are doing and can catalyze others to innovate.
- Failing to take action to transform our food system is more costly than taking action.
- Successful reform of policies and public support requires engagement with all actors in the agricultural value chain, including small-holder producers, markets, and transportation services. Engagement needs to be thought out carefully and consider the needs of those the government is attempting to engage with, for example: will agricultural producers need child-care services to attend an extension service or meeting?, Does our meeting conflict with a busy time for agricultural producers?
- The interconnectedness of the identified policy pathways was emphasized as an entry point for potential policy changes; for instance, “how does soil health impact water conservation?”, or “how can agricultural subsidies for fertilizers be repurposed to focus on more than just production, including issues of soil health, biodiversity and water conservation?”. Taking these issues into consideration together can help to adjust agricultural policies and support towards a more holistic, and sustainable vision.
- Improving public spending involves more than reallocating fiscal transfers to farmers; it also entails reshaping support through policy measures, as net incentives to producers are a combination of public spending and policies.
- Increasing the uptake of innovative technologies requires supporting farmers in managing the transition risk. This could be achieved through increasing access to relevant knowledge, extension services and technologies, and mitigating the financial risk through, for example, compensation and insurance.
- Fostering technological innovation outside of the global north was identified as key for countries to uptake new technologies that might improve agricultural monitoring, including fertilizer application, soil health and water conservation. Technologies produced in the global north are often too costly to implement, and are not adaptive to the needs of local communities.

Forward look: COP28 and beyond

At COP28, the UK and World Bank will aim to maintain momentum to shift agriculture incentives and support to deliver 'triple wins.' The goal is to showcase and deliver increased commitment to design and implementation of the policies needed to accelerate transition to sustainable agriculture. The World Bank and the UK plan to showcase progress in five countries on agriculture policy reforms that are informed by country diagnostics. The goal of this showcase is to set out policy pathway guidelines, and



draw on these efforts to inform the Agri-Food Systems Roadmap. The Roadmap will set global goals, while the PD serves as a forum for experience sharing and partnerships, supporting countries to shift to more sustainable agricultural policy.

The World Bank, through its FoodSystems 2030 multi-donor trust fund, has awarded grants in the amount of \$75 million to implement innovative options to repurpose policies and public expenditures in 5 countries: Bangladesh, Ghana, Malawi, Mozambique and Madagascar. The new grants will help countries to develop, scale-up, and evaluate alternative repurposing options to generate the evidence to support further agriculture policy reforms that promote innovation, strengthen markets and value chains, and increase investment in the sector to deliver the triple wins of healthy planet, healthy people, and healthy economies.

The Policy Dialogue – both as an independent channel and through other existing fora – will continue to provide a platform to share knowledge and experience, build partnerships, and collaborate as we jointly seek to resolve barriers and deliver pathways to sustainable agriculture and food systems.

8th Technical Dialogue

Agenda

8 – 8:30	<u>Coffee and breakfast</u>
8:30 – 9:00	<u>Welcome and Opening Remarks</u> Moderator logistics – 5 mins FCDO – 5 minutes World Bank – 5 minutes AGRA – 5 minutes
9:00 – 9:20	<u>Presentations on PES and Fertilizers</u> Bruce Campbell – Payment for Ecosystem Services (7 min) Parmesh Shah – Efficient application and use of fertilizers with digital technologies (7 min)
9:20 – 9:25	<u>Introduction to break-out group discussion topics and questions</u>
9:25 – 10:40	<u>Break-out groups</u> Participants will be asked to discuss country experience on three topics in different break-out groups:

	1) Policy Incentives for Soil Health and Fertilizer 2) Policy Incentives for Water Conservation 3) Policy Incentives for Payment for Ecosystem Services (PES) Group discussions will be driven by the following two considerations: 1) From your own experience, key issues and steps to consider at the domestic level in design and implementation of three (3) specific policy approaches to sustainable agriculture that meet with 'triple win' criteria: for people, climate and nature. 2) Opportunities and next steps to attract greater climate finance resources and capacity to support reforms.
10:40 – 11	<u>Reconvene: report back from break-out groups</u> Participants reconvene as one group and discuss main takeaways/points from break-out sessions. Reflections from the full group.
11 – 11:20	<u>Closing Remarks, final reflections</u> UAE COP28 Presidency – links between Policy Dialogue, AGRF and COP28 Food Systems Campaign UK High Commissioner to Tanzania, David Concar – Reflections on the importance of this work and policy dialogue objectives for COP28 World Bank – Final remarks, summary of key discussion points and next steps Participants will be offered lunch for further networking.
11:30 – ??	<u>Networking and Lunch</u>

Summary

Purpose of the Global Policy Dialogue:

Catalyse policy leadership to accelerate transition to sustainable agriculture and food systems.

Objectives:

The Objective of the in-person Policy Dialogue in Dar es Salaam was to learn from the experience of African countries on two key issues governments are seeking to influence through policy reforms:

- 1) **Improving outcomes for soil health, including through a shift to clean, green and more efficient fertilizer use**
- 2) **Protecting Ecosystem Services (including quality water provision) through payment mechanisms**

These themes were identified at the Policy Dialogue in May and discussed at an in-person workshop in Rome in July. The Dar workshop served to deepen the discussion and experience sharing from an Africa perspective.

Across these two themes, participants were invited to identify:

- Key issues and steps to consider at domestic level in the design and implementation of these policy approaches to sustainable agriculture that meets with 'triple win' criteria: for people, climate and nature;
- Opportunities and next steps to develop partnerships and, or attract financial resources and build capacity to support reforms.

Context for Africa-focused Workshop

Aligned with the **Africa Food Systems Forum (AGRF)** in Dar Es Salaam, the UK and World Bank convened this 11th session of the global **Policy Dialogue to accelerate transition to Sustainable Agriculture** on 4 September, 2023. An Africa focus is timely. With a rapidly growing and predominantly youthful population Africa will need to double food production by 2050 even to keep pace with population growth. Meanwhile it faces a \$50bn annual food import bill and \$2.5 bn in humanitarian aid, whilst 150m people are acutely food insecure in Sub-Saharan Africa alone. Due largely to a combination of conflict, climate change and environmental degradation, growth in production is falling and vulnerability to climate impacts is rising.

At the same time, there is a huge and growing market for agriculture and food: ensuring a shift to sustainable food systems and land use will be critical to turn this into an opportunity and avert the risk of sustained crises into the future.

The Workshop was opened by AGRF President Dr Agnes Kalibata alongside Martien Van Nieuwkoop, Global Director for the Agriculture and Food Global Practice at the World Bank. They noted the importance of the Dar technical dialogue as a follow up to the Lusaka High Level Dialogue, which highlighted the importance of repurposing agricultural policies and expenditures to accelerate the transformation towards a more sustainable agri-food system. Besides AGRF, the speakers underscored the relevance of these discussions to the Malabo Declaration, UN Food Systems Summit, and COP28,



reflecting the growing international momentum on agriculture reform and food systems transformation. A key message from the opening session was that ‘business as usual is no longer an option’ and collectively countries must identify ‘triple win’ solutions for agriculture to deliver better outcomes for people, climate and nature.

Bringing technical and experiential evidence to the table, two experts elaborated on the “how to” of implementing actions for the areas under discussion. Bruce Campbell, Chief Innovation Strategist at Clim-Eat presented on designing mechanisms for Payments for Ecosystem Services (PES). Parmesh Shah, Global Lead for Digital Agriculture at the World Bank, presented on Precision Fertilizer Applications. Emerging findings and messages from their presentations helped to inform peer-to-peer discussion in break-out groups.

UK High Commissioner David Concar and the UAE COP28 Presidency’s Food Systems team gave closing remarks. With 9 countries represented, discussions focused on experience, challenges and opportunities for policy measures to achieve soil health; clean, green and efficient fertilizer use; water conservation and protection of eco-systems services. Lessons learned will help inform a set of guidelines for ‘Policy Pathways to Sustainable Agriculture’ to be launched at COP28 alongside increased commitments to transition.

Policy Action

Break-out group discussions focused on the 2 themes identified above.

Several participants emphasized the negative impact of recent droughts in their countries. There is clear evidence that farmers are feeling the effects of a warmer climate and must find ways to adapt and build resilience to changing weather patterns. There was considerable discussion on policy options for this, as well as the role of technology, especially digital technology and how this can aid in farmer registration, fertilizer distribution, extension services and enabling governments to better target and implement agriculture policies and programmes.

In the **Fertilizers and Soil Health** session, participants described the importance of policies to incentivize integrated soil management alongside fertilizer use. These practices include soil testing and management, research, development and deployment of different seed varieties and non-tillage practices. Opportunity was noted for refining public policies according to sub-national context e.g. to target fertilizer subsidies to specific farmers or regions. Advances in digital technology were highlighted as an opportunity to help governments improve incentives for soil health and more efficient, greener practices in fertilizer use. For instance, this can help with last-mile distribution of fertilizers, the development of ‘soil-maps’ that indicate soil health, and the implementation of ‘smart-credits’ where the government provides credit guarantees to input suppliers and community-level aggregators from the private sector.

In the **Payment for Ecosystem Services** session, participants shared experience on their efforts to build capacity for agro-ecology practices and seed management, registration of farmers in order to participate in PES programs, and how PES programs are used in other sectors. They noted that farmers’ key interest is in increased output and profit, and thus PES schemes need to be based on opportunities to increase

yields and profits at the farm level. In trying to assess PES at the farm or household level, they noted that measuring outcomes from PES schemes at this micro level can be highly costly and challenging to deliver. In some cases, the costs of verification might be untenable. As an alternative, participants noted the option to focus on a) input indicators instead of outcome indicators and, or b) aggregated indicators at e.g. regional or national level for things such as productivity gains, emissions reductions and the protection of natural resources.

Challenges to Implementation

Participants discussed several common challenges in implementing fertilizer and soil health programs and payment for ecosystem services. The costs of such programs, including for fertilizer, and monitoring of soil health and ecosystem benefits are expensive for developing countries. Additionally, targeting smallholder farmers was identified as a barrier, as the transaction costs at this level are often cost prohibitive to implementing a PES or fertilizer and soil health program.

Several countries offered solutions to overcoming this barrier. A common theme from several countries is the use of digital technology to overcome barriers – from farmer registry to improve targeting and reduce leakages and reduce fertilizer use, to delivering bundled services (such as extension advice) to improve the productivity and efficiency in the use of fertilizers. One country, for instance, noted insufficiently developed markets and constrained access to capital for investment for private sector suppliers and community aggregators which forced governments to resort to subsidized fertilizer distribution resulting in all of the problems associated with such programs. The government is repurposing some of the subsidies to provide credit guarantees to facilitate input suppliers and community level aggregators from the private sector to better access capital for investment and promote more efficient use of inputs such as fertilizers and seeds. In another country, the government is investing in soil maps to help improve the efficacy and efficiency of fertilizers.

Other participants highlighted limited market access especially for smallholder farmers, in turn reducing incentives and capacity to adapt to new (more sustainable) practices. Several countries are working to establish Strategic Grain Reserves as one initiative to support national food security whilst enhancing market access for farmers. Expanding market access was identified as an important incentive and enabler for farmers to adapt their agriculture practices.

Key Take-Aways

- Introducing PES programs and or adapting fertilizer subsidy schemes to incentivize soil health can be expensive and countries need innovative approaches to successfully overcome the higher costs.
- Monitoring of inputs and farmer practices might be more cost effective than outcome measurement at the household/small-holder farmer level.
- Growing evidence on the costs and negative impact of droughts and other climate related shocks and stresses on farmers and wider economies should be disseminated and emphasized



to support the case for investment in PES programs and promoting soil health, and as a means to lessen the impacts of climate change and to build climate resilience.

Follow-up and Next Steps

A wealth of experience was shared during discussions; however, a short workshop was not enough time to get further in depth on policy actions and pathways. Further to these discussions, countries are invited to submit Country Briefs to further share experience on the policy actions they are taking for transition to sustainable agriculture. These will be shared in a public compendium.

The Policy Dialogue conveners will further draw on evidence from discussions and bilateral country engagement to develop Briefing Notes on a set of priority 'Policy Pathways' towards sustainable agriculture. The aim is to showcase (non-prescriptive, high level) guidelines and progress on this agenda at COP28.

A number of participants suggested that an on-going platform for live discussions (or community of practice) would be very helpful to deepen discussion and experience sharing. As co-conveners, UK and WB committed to consider this suggestion and what may be feasible to take it forward.

Immediate next steps are:

- Draft of 'policy pathway' briefing notes, drawing on Dialogue discussions and in consultation with lead experts on Payment for Ecosystem Services, Fertilizers & Soil Health, and Water Conservation in agriculture
- High-level engagement before and during COP28 to galvanise support and commitment to the COP28 Presidency proposed high level declaration on food systems transformation.